



Boston Children's Hospital



HARVARD MEDICAL SCHOOL
TEACHING HOSPITAL

Boston Children's Hospital Proposed Zoning Amendment

Needham Town Meeting
June 8, 2020





Topics For Discussion

- **Proposed Zoning Amendment**
 - New special permit use in the New England Business Center
- **Parking and Trip Generation Review**
- **Proposed Agreements**
 - Agreement Regarding Payment in Lieu of Taxes (PILOT)
 - Host Community Agreement
- **Additional Economic/Community Benefits**

Proposed Zoning Amendment

New England Business Center



Summary of Proposed Zoning Amendment

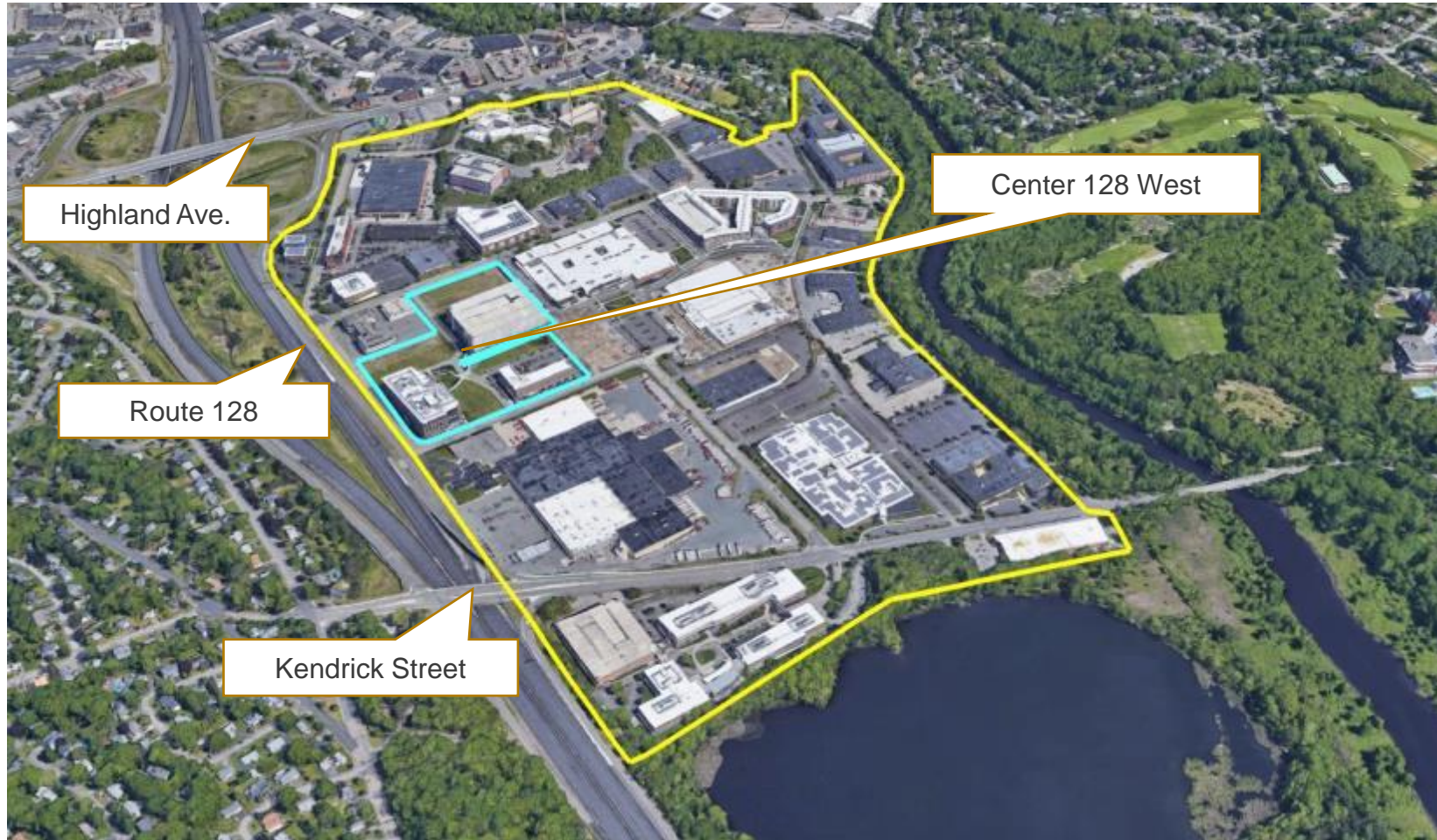
1. **Define Pediatric Hospital**
2. **Create a new “Pediatric Medical Facility” use allowed by special permit in the New England Business Center**
 - Must be owned, operated or managed by a Pediatric Hospital
3. **Establish a parking requirement of one (1) parking space per 290 square feet of floor area in a Pediatric Medical Facility**



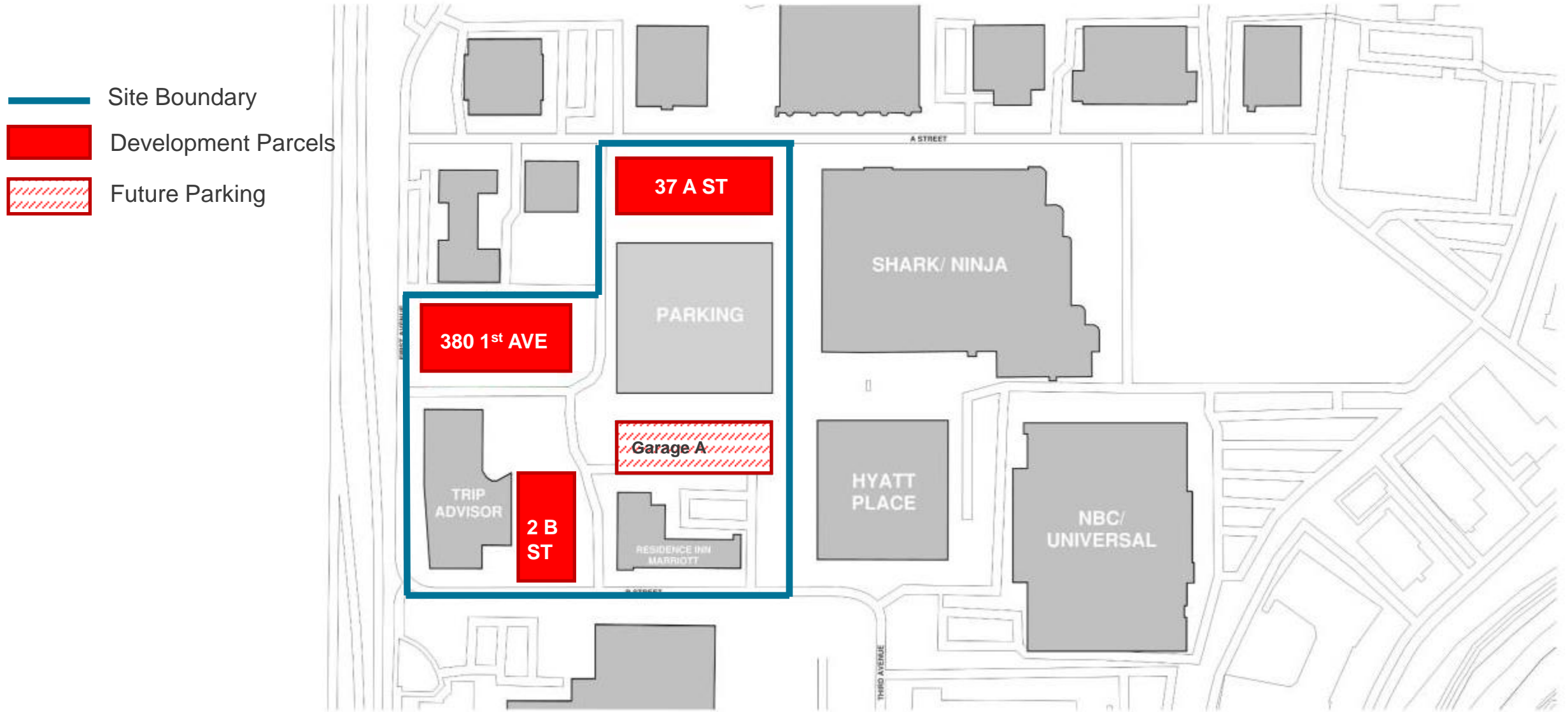
Parking and Trip Generation Review



New England Business Center and Center 128 West



Approved Site Plan – Center 128 West



Estimated Parking Demand and Proposed Parking Requirement

- **Proposed zoning amendment requires that a Pediatric Medical Facility provide 1 space for every 290 square feet of floor area (or 3.45 spaces per 1,000 square feet (ksf))**
- **A comprehensive memo prepared by VHB (the traffic consultant for Boston Children's) in support of the proposed parking standard found that:**
 - Pediatric Ambulatory Centers within the Boston Children's network have an average parking rate of 2.87 spaces/ksf
 - A review of parking demand at peer healthcare institutions (locally and nationally) indicates an average parking rate of 3.28 spaces/ksf
- **VHB's analysis confirms that the proposed parking standard is conservative (i.e., higher) than other Boston Children's facilities and facilities of peer institutions**
- **BETA Group, Inc. was engaged by the Town as a Peer Review Consultant to review VHB's parking materials**
- **BETA concluded that the proposed parking ratio is acceptable**



Anticipated Trip Generation Comparison

- For planning purposes, a comprehensive memo was prepared by VHB to compare the trip generation for Founders Park (consisting of Center 128 East, Center 128 West and the 2nd Avenue Residences) with and without the proposed Pediatric Medical Facility
- Updated counts were obtained by VHB in preparation of the memo (prior to pandemic)
 - Actual (counted) trips generated by Founders Park (constructed buildings as of October 2019) are significantly lower than the approved trip generation estimates
- If Center 128 West is fully constructed with a Pediatric Medical Facility:
 - AM Peak Hour trips will be similar to the approved trip generation estimates (1% increase)
 - PM Peak Hour trips will be slightly higher than the approved trip generation estimates (6% increase)
- BETA Group, Inc. was engaged by the Town as a Peer Review Consultant to review VHB's trip generation materials
- BETA concluded that the trip generation information is accurate



Proposed Agreements

Agreement Regarding Payment in Lieu of Taxes (PILOT)

- **Boston Children's is exempt from paying real estate and personal property taxes**
- **Boston Children's is agreeing to make an annual PILOT payment to the Town**
 - Equal to the amount that would be otherwise due to the Town in property taxes for office use
 - Adjusted each year based on the percentage increase or decrease in the overall tax levy of the Town (may increase up to 4%)
- **Agreement effective upon issuance of building permit**
 - Percentage of payment amount due each year during construction period is equal to the percentage of completion of construction of the Project on June 30th
 - Full PILOT amount shall commence upon final certificate of occupancy for the Project
- **Vacant building sites taxed as vacant land in the Town's usual manner; PILOT payments required if and when development of a site proceeds**

Host Community Agreement (HCA)

- **Early payments in recognition of Town's emerging challenges**
 - \$200,000 upon building permit issuance
 - \$200,000 upon reaching 50% completion of the Project
- **Annual Community Benefits Payments**
 - \$200,000 annually, commencing on certificate of occupancy
- **All payments are made to the Town in support of the Town's youth services and in lieu of personal property tax payments**
- **Boston Children's will consider recommendations from Needham High School regarding qualified applicants for its "COACH" summer internship program**



Additional Economic/Community Benefits



Prospective Needham Economic and Community Benefits

- **Development on a site approved for development that has not been constructed**
- **World class medical facility constructed in Needham**
 - Needham site would be an innovation hub for Boston Children's clinical research and education
 - 250+ Needham residents work system-wide, including 50 physicians
- **Attracting patients and families regionally, nationally and internationally**
 - Food, lodging and associated town revenues
- **Strong track record of community benefits support to local partners**
- **Commitment to civic engagement in local youth-serving efforts**



Proposed Needham Satellite – Economic Impacts

➤ Construction Period (2022-2025):

- \$130M in economic impact
- 680 jobs
- \$1.2M in state and local tax revenue

➤ Annual Operations (Beginning in 2025):

- \$52M in increased economic activity in Needham
 - \$28M in direct impacts in pay, benefits, medical equipment, etc.
 - \$24M in indirect and induced impacts with additional spending in restaurants, hotels, rental housing, grocery stores, etc.
- 455 jobs supported or sustained locally
 - 200 direct jobs such as doctors, nurses and support staff, etc.
 - 255 indirect and induced jobs such as servers, gas station attendants, real estate agents, etc.

STUDY PROFILE

Methodology: IMPLAN

Geographies: Town of Needham, Mass. (ZIP codes 02492 and 02494) and the Commonwealth of Massachusetts

Data Source: Estimated impacts generated are based on information prepared by Tripp Umbach for Boston Children's Hospital in connection with Tripp Umbach's analysis of the economic impacts of Boston Children's plans for a location in Needham as of March 13, 2020.



Conclusion



- **Zoning Amendment to allow a Pediatric Medical Facility in the New England Business Center by special permit**
- **Significant community and economic benefits consistent with the Town's goals for the New England Business Center**
- **We request Town Meeting approval**